

2010 Services to Montana at a Glance

Recoveries for Montana's Investors and Consumers

The Office of the Commissioner of Securities and Insurance has worked to recover millions of dollars for Montanans through assistance with claims and taking action against companies in violation of Montana law.

- Insurance restitution recovered for Montana consumers : **\$3.5 million**
- Auction rate securities restitution recovered for Montana investors: **\$179 million**
- Other securities restitution recovered for Montana investors: **\$4.5 million**
- Other insurance restitution recovered for Montana consumers: **\$90,600**

Affordable Health Coverage for Small Businesses

- There are currently **870** small businesses participating in the Insure Montana purchasing pool and **749** receiving the Insure Montana tax credit.
- Insure Montana covers more than **1,600** small businesses and **8,000** lives.
- Under the Insure Montana program, small businesses will save an average of **\$3,500** in health insurance costs over the next two years. An employee who works for one of these businesses will, on average, save more than **\$1,900** per year. An employee taking advantage of the tax credit saves about **\$5,300** per year.

Economic Development

Captive companies strengthen our state's position as a captive domicile. Long-term benefits of the captive industry to Montana include creating new jobs, expanding the tax base and increasing economic activity.

- There are currently **68 captive insurance companies** domiciled in Montana. Captive insurers domiciled in Montana provide insurance to rural hospitals, nursing homes, doctors, commercial trucking companies, contractors, and others.
- Premium tax collected from captive insurers totaled **\$420,070** in FY2010.
- Two Montana based captive management firms have been established in Montana to provide professional services. CPAs, attorneys, and other service providers are benefitting from increased work as well.

The Securities Department assisted 17 Montana businesses in raising over **\$10,000,000** in investment capital.

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Efficient Service to Consumers and Producers

- The Office of the Commissioner of Securities and Insurance (CSI) is one of the smallest agencies in Montana government with slightly more than **80 staff**.
- CSI licenses **70,000** resident and non-resident insurance producers and agents as well as **83,000** securities professionals to do business in the state of Montana.
- CSI reviews all insurance products proposed for use in Montana. Approximately **35,000** forms were approved in FY 2010.
- CSI policyholder services division serves Montanans by assisting with their insurance claims problems, eligibility for insurance, and any insurance questions they have on all lines of insurance including, property and casualty as well as life and health. Montana's insurance team handles **40,000 consumer calls** and assists consumers with **2,000 formal complaints** each year.
- CSI was recently awarded a consumer assistance grant to help the agency better serve Montanans. The grant enables CSI to intervene on behalf of the consumer in additional types of insurance plans, such as self-funded or employer owned plans. Staff can now help consumers write appeals, follow up on the appeals and ensure they are handled in a timely manner by insurers.
- The CSI serves every Montana citizen who relies on their insurer to pay their insurance claims by conducting financial examinations of insurers to evaluate their ability to pay claims.
- Annually, approximately **4,500 to 5,500** regulated rate submissions are reviewed for compliance by the CSI's two credentialed actuaries. This does not include health rates.
- The CSI conducted investor education tours across Montana entitled, "How to Smell a Rat." Large crowds of seniors and other investors learned how to invest wisely and cautiously.

Revenue for Montana

The Office of the Commissioner of Securities and Insurance is a major revenue generator for the State of Montana.

- Premium taxes collected in FY10 totaled **\$63,794,952**.
- Those funds, along with **\$4.6 million** in licensing fees, **\$68,000** in continuing education, and over **\$11 million** collected in securities revenues, are deposited into the General Fund.

* Gross collection, includes \$14,622,953.76 transferred for I-155 funding. Includes captive premium tax, fire premium tax, and surplus lines premium tax.